

Scott Carpenter
06-1-6



Hybrid Technologies Corp.

January 27, 2006

Robert Sawyer
Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Dr. Sawyer:

Railpower Hybrid Technologies Corp supports the recent Memorandum of Understanding (MOU) entered into by the California Air Resources Board (CARB) and Union Pacific Railroad Company and BNSF Railway Company. We strongly urge the Board to leave the MOU in place and continue to implement the 2005 MOU.

Railpower has developed and now manufactures the ultra-low emitting, Green Goat hybrid switcher locomotive. We were the first to use gen-set technology to power locomotives, and we have successfully demonstrated the Green Goat with all Class I railroads. It is our goal to become the premier supplier of switcher locomotives in California, the North America, and internationally and, as well as to help reduce harmful emissions and noise in communities with rail yard operations.

The Green Goat is an ultra-clean hybrid locomotive technology that significantly reduces idle and noise during operation. Furthermore, the Green Goat reduces NOx and particulate emissions by 70 to 90 percent and generates fuel savings from 40 to 60 percent depending on the duty cycle.

Railpower currently has 17 ultra-clean hybrid locomotives deployed or scheduled for deployment across the State of California. We have delivered 32 locomotives in North America and have more than 160 ultra-clean switcher locomotives on order.

Railpower will continue to take advantage of the cleaner engine technology available in the small engine market. The modular design of our locomotives make them somewhat future-proof in that the engines can be upgraded to cleaner engines as they become available. With our technology, the rail industry can now leverage technology advances in the small engine market to continually reduce locomotive emissions and their impact on nearby communities.

Prior to the 1998 MOU, our technology did not exist; nor did the impetus for the innovation which is supported even more by ever-increasing fuel costs. The 2005 MOU measures will continue to create opportunities for our ultra-clean locomotives, just as the 1998 NOx MOU helped to spawn the development of this technology. These voluntary agreements are working, and Railpower's ultra-clean locomotives will play a critical role in reducing switch locomotive emissions across the State of California.

In closing, we encourage the Board to leave the agreement in place and continue implementing the MOU agreement at today's hearing.

Regards,

A handwritten signature in dark ink, appearing to read "Gary Eelman", with a long horizontal flourish extending to the right.

Gary Eelman
Executive Vice President & General Manager
Railpower Hybrid Technologies Corp